



City of Tigard

Tigard City Council Meeting Minutes

July 10, 2012

Agenda Item No. 4B1
Meeting of September 11, 2012

Mayor Dirksen called the meeting to order at 6:30 p.m.

<u>Name</u>	<u>Present</u>	<u>Absent</u>
Mayor Dirksen	✓	
Council President Buehner	✓	
Councilor Henderson	✓	
Councilor Wilson	✓	
Councilor Woodard	✓	

Staff Present: City Manager Wine, Assistant City Manager Newton, City Attorney Ramis, Assistant Community Development Director Hartnett, Associate Planner/Arborist Prager, Associate Planner Daniels, City Recorder Wheatley

1. STUDY SESSION

Track 1

A. REVIEW URBAN FORESTRY CODE REVISIONS DECISION MAKING PROCESS

Associate Planner/Arborist Prager introduced this agenda item, which was planned to describe the adoption process and orient the City Council to the adoption volumes for the Urban Forestry Code Revisions. Council members received Volumes I – V:

- Volume I – Project Overview
- Volume II – Land Use Elements
- Volume III – Non Land Use Elements
- Volume IV – Urban Forestry Manual
- Volume V – Additional Background Materials

Associate Planner/Arborist Prager proceeded with his part of this presentation, which was to review staff's suggested process for moving through the upcoming hearings. (Associate Planner Daniels was to later describe and orient the City Council to the adoption Volumes I-V.)

Associate Planner/Arborist Prager advised this is the culmination of a major project that the City Council directed to be done in February 2010. The goal for this evening is to break

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down the complexity of the process and acquaint the council with the five volumes of information in preparation for the first hearing scheduled for July 24, 2012. He referred the council to the suggested process outline depicting the time schedule for moving through the adoption of the code revisions. The schedule is similar to that followed by the Planning Commission. Three meetings are scheduled with the format of the first meeting structured to receive the staff report, listen to public testimony and then identify issues that are of most concern and will require additional discussion at the next meeting. The second meeting is designed as a workshop for an interactive staff/council report/discussion on the issues council identified to be of the most concern. Staff would ask for council direction on how to address these issues. At this second meeting, staff might also discuss some issues raised during public testimony in the first meeting that need to be addressed for the record. The third meeting's format will be to receive the staff report on how those issues of most concern were addressed, accept public testimony on the changes made and for the council to make a final decision on adoption.

Council President Buehner said she had a problem of going straight to a public hearing without a workshop. In response to a question from the mayor about why this was a problem, Council President Buehner advised she needs to hear and be able to ask questions in an informal situation before taking public testimony. She said she is not prepared to take public testimony because she has not had an opportunity to have time to ask questions about intent of the information as presented in the staff reports and why the Planning Commission members made their decisions.

Assistant Community Development Director Hartnett said staff would be available to the City Council to answer questions individually. Council President Buehner asked why it was not possible to schedule a workshop. Assistant Community Development Director Hartnett said one of the main challenges to is make sure that the integrity of the Planning Commission's recommendation is maintained. Council President Buehner strongly suggested a workshop meeting be held before public testimony is received so council can have an opportunity to read the volumes and ask basic questions.

Mayor Dirksen said there will be a workshop meeting on July 17, 2012; however, this topic is not on the agenda. Assistant Community Development Director Hartnett said this was not planned and was concerned about discussing the matter because there has been no public notice.

After discussion about Council President Buehner's concerns about process, City Attorney Ramis suggested that if the process was to be altered to go through a workshop approach, this change should be properly noticed so it is a public meeting and included as part of the public hearing process for the public; otherwise, there will be a meeting that will not be included in the record as part of the history of the process.

After further discussion and at staff's request, staff presented the proposed process. City Manager Wine prefaced the presentation by saying the council could decide to alter the steps after this presentation.

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Associate Planner/Arborist Prager's remarks included the following:

- The Urban Forestry Code Revisions consists of three major components:
 - The land use elements, which are the urban forestry standards for development and tree growth preservation incentives.
 - The non land use elements, which are the tree permit requirements and hazard trees.
 - The Urban Forestry Manual, which is also a non land use element consisting of administrative rules that implement the details of the code.
- At the first meeting, staff proposes that the mayor will open the hearing on both the land use and the non land use elements of the proposal. Staff will provide a comprehensive staff report of the entire package with the intention of getting everyone “up to speed,” including the viewing audience.
- After staff presents its report, there will be an opportunity for councilors to ask questions. Following the question-and-answer period and before the public testimony, Dave Walsh and Don Schmidt (members of the Planning Commission and members of Urban Forestry Code Revisions Citizen Advisory Committee) will deliver more information on the Planning Commission's unanimous recommendation for City Council approval of the code revisions.
- The mayor will then open the hearing for public testimony on the land use and non land use elements. Staff expects about 15 people to testify based on the number of people who testified at the Planning Commission hearings. The public has not yet had an opportunity to testify on the non land use elements because those were not part of the Planning Commission's formal review.
- The mayor will then close public testimony and the councilors can ask additional clarifying questions, especially for matters brought up during public testimony for which the councilors need additional information.
- The council will inform staff if there are areas where the councilors would like more information. Staff will be prepared at the August 28 hearing to conduct a workshop on the issues where there are concerns.
- The August 28 workshop will be interactive and will be part of the hearing procedures for the land use and non land use elements of the proposal; however, no public testimony will be received at this meeting. Staff will prepare a report on the requested information from the prior hearing. In the Planning Commission process, this was the time where items of concern were addressed individually or in groups of similar items. This would be the opportunity to discuss and reach a level of consensus and select a preferred alternative. Staff will summarize the council's consensus on the contentious items and be prepared to return at the October 9, 2012, hearing with code changes consistent with the council's direction.
- The October 9 hearing will be the time that staff proposes the City Council makes its decision on adopting the code revisions. The mayor would open the hearing on the land use and non land use elements. The staff report at this hearing will focus on describing the code changes that staff proposes, based on the council direction from

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the prior hearing. After the staff report presentation, there will be an opportunity for councilors to ask for clarification and then the mayor would open the public testimony on code changes currently under consideration. The mayor would close the public testimony and there will be another opportunity for council questions. The council would then deliberate on the code changes under consideration, make a decision on whether to adopt the changes, and then determine whether it wants to adopt the entire package of code revisions.

- If the council feels additional time is needed, the October 9 hearing could be continued to November 13, 2012.
- The Planning Commission process was reviewed. In addition, while the Planning Commission did not make a formal recommendation or take a position on the non land use elements, these elements were available to them. The public also presented testimony on the non land use components, including the Urban Forestry Manual. The Planning Commission offered an opinion to be forwarded to the council about the connectedness of all of the pieces and the supportive nature of the non land use elements to the land use elements.

Council President Buehner called attention to the fact that the Planning Commission did not address the non land use portions of the code and asked if there was a reason why there could not be a separate hearing on the non land use elements. City Attorney Ramis said this would be the council's choice so there would be two hearings and consideration of separate ordinances.

Mayor Dirksen referred to the July 24 meeting at which time the staff report will be presented. He asked Assistant Community Development Director Hartnett if the presentation would include a narrative or synopsis of the Planning Commission meeting and comments heard. Ms. Hartnett said the Planning Commission will be present to give this information to the City Council. Mayor Dirksen said it would be good for the City Council and the public to hear the basics of what transpired during the Planning Commission hearings.

Mayor Dirksen asked the city attorney for clarification on process. It appears the City Council would open a public hearing on July 24, listen to public testimony and then close public testimony. Then, on August 28, issues identified by the City Council would be discussed. In October, the plan indicates the council would receive a staff report on how issues were addressed and also accept public testimony on those issues.

The mayor asked if this was a separate public hearing, rather than a continuation of the first public hearing. City Attorney Ramis said the hearing would be continued to the October date with the provision that the scope of the hearing would be limited. Assistant Community Development Director Hartnett said the process was not strictly followed by the Planning Commission; new issues came up and the Planning Commission held another meeting to resolve issues that could not be taken care of. The door is open within the process for the City Council to address issues that might come up in a manner similar to the

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process used by the Planning Commission. The effort is to encourage a process that keeps it moving forward, makes it clear to the public when they can give input and on what but not in such a way that restricts public involvement. City Attorney Ramis added that even if the City Council was strict about limiting the topics under review, the council would not be limiting the people who can testify; that is, a person would not have had to give testimony at the first hearing in order to be a witness at the next hearing. The scope of the testimony would be limited, but not the number of people.

Assistant Community Development Director Hartnett said that throughout the process, if someone raises an issue that staff feels needs to be dealt with from a land use record standpoint, staff will request additional discussion and consideration be given.

Mayor Dirksen said he supports announcing at the beginning how the process is going to be structured. He wants to let the public know about topics assigned to the public hearings. However, he added that the council and staff need to be prepared for issues to be brought up in the second hearing that were not brought up in the first hearing. There should still be an opportunity for the issue(s) to be addressed.

Associate Planner Daniels reviewed the five volumes distributed to the City Council:

Volume I – Project Overview

This volume is intended to be the road map for the rest of the volumes. Features of this volume were reviewed with the City Council. Staff suggested City Council members read Volume I first before reviewing Vols. II-V.

Pages 5-7 outline the overall organization of the documents to serve as a guide to locate specific areas to review.

During discussion, Council President Buehner advised she would like to have the audio media given to her so she could listen to the testimony presented at the Planning Commission, rather than only review the summary of the testimony offered.

Volume II – Land Use Elements

This document contains the urban forestry standards for development and the tree growth preservation incentives (these represent the Community Development Code amendments proposed).

The Tree Grove ESEE Analysis is in this volume.

The Peer Review is in this volume.

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Exhibits presented to the Planning Commission are in the official record, which will be available at the City Council hearing. City Attorney Ramis advised there is a legal requirement that the entire record be present in the hearing room.

Volume III – Non Land Use Elements

Code revision format is the same as that used in Volume II.

Volume IV – Urban Forestry Manual

The Urban Forestry Manual (previously adopted) is also a non land use element and consists of the administrative rules, which implement the details of the code.

Volume V – Additional Background Materials

Materials in this volume include information regarding Planning Commission deliberations and amendment requests made by the commission. The volume contains technical memos on items that arose. The Urban Forestry Master Plan is also in this volume, which provides the foundation for the Urban Forestry Code Revisions project.

Assistant Community Development Director Hartnett advised the Planning Commission had similar concerns as expressed tonight regarding receiving public testimony early on in the process. However, she advised the Planning Commission found this process to work well and she suggested individual council members might want to contact Commission President Dave Walsh to discuss the how the process worked for them.

Track 2

Mayor Dirksen asked for council comments on the proposed process.

Councilor Wilson advised he would not be present for the July 24 meeting, which is the beginning of the hearing process for this matter. He said the materials given to council tonight represent a huge volume of information to review before the 24th; however, since the City Council is not making a decision that night, he indicated there appears to be time allocated to reconsider matters or slow the hearing process if needed. He said the project should be completed by the end of 2012 because of the change of the council membership that will occur in January 2013.

Councilor Henderson said it appears that people are still changing their minds on elements of this project. He said he wants to make sure members of the public have ample opportunity to state what is on their minds. He does not want to see the project rushed.

Councilor Woodard said he thought the Planning Commission process was well vetted. He agreed there is a lot of material for the council to review to prepare for the July 24 meeting. He commented on the structure of the volumes and said it would be helpful to have

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discussion items be identified by volume and page number. He said he was willing to enter into the process as described if the remaining City Council members are in agreement.

Assistant Community Development Director Hartnett said she believes there is flexibility built into the process to schedule more time for council discussion before it gives direction to staff.

Mayor Dirksen said he likes the idea of receiving public testimony on the same night the council is presented with the staff report and hears from the Planning Commission. This will allow the City Council to consider all three of those sources of information at the same time. He mentioned his concern that Councilor Wilson will not be present on July 24 to hear the public testimony.

Discussion followed on options to schedule the hearing meeting dates and format for those meetings. Councilor Wilson noted he would be absent on July 24; however, he has heard testimony on issues similar to this in his years as an appointed and elected official. He said he is interested in determining what the broad consensus is on this topic from the community at large, i.e., the majority of the people that do not necessarily testify. To determine the broad consensus, it will take a certain amount of judgment. Council President Buehner agreed that the council will likely hear testimony from opposite viewpoints.

City Manager Wine noted each of the meetings scheduled will give the council opportunity to give feedback on issues for additional follow up. Time allotments for this matter for each of the agendas allows 1-1/2 to 2 hours; additionally, other council meeting dates are available to schedule extra meetings if needed.

Assistant Community Development Director Hartnett said she would work with the city manager to get an updated schedule to council on how the meetings will be formatted, keeping in mind legal requirements for the hearing procedures.

B. ADMINISTRATIVE ITEMS

Mayor Dirksen reviewed the following administrative items:

- Council received a copy of a slide presentation prepared for Councilor Woodard's report on Agenda Item No. 5, Discussion on Economic Development.
- Council Calendar:
 - July 17 - Workshop Meeting - 6:30 p.m.
 - July 24 - Business Meeting - 6:30 p.m. Study Session/7:30 p.m. Business Meeting
 - August 7 - CCDA Meeting Canceled - National Night Out
 - August 14 - Business Meeting - 6:30 p.m. Study Session/7:30 p.m. Business Meeting
 - August 21 - Workshop Meeting - 6:30 p.m.

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- August 28 - Business Meeting - 6:30 p.m. Study Session/7:30 p.m. Business Meeting
- EXECUTIVE SESSION: No executive session was held.

1. BUSINESS MEETING - JULY 10, 2012

A. Mayor Dirksen called the meeting to order at 7:41 p.m.

B. Roll Call

<u>Name</u>	<u>Present</u>	<u>Absent</u>
Mayor Dirksen	✓	
Council President Buehner	✓	
Councilor Henderson	✓	
Councilor Wilson	✓	
Councilor Woodard	✓	

C. Pledge of Allegiance

D. Council Communications & Liaison Reports

Council President Buehner reported on the status of the Tigard/Lake Oswego Water Partnership

- There is an issue with the West Linn application. The Oversight Committee made a decision to recommend asking for a delay in the Planning Commission hearing to allow for the filing of the pipeline application. The request for delay was granted. The pipeline application was filed last week and is in the 30-day completeness review process.
- The Oversight Committee met with a mediator retained to work with the elected officials, the Robinwood Neighborhood and residents on Maplethorpe. The first meeting was held last week and this effort will continue for a month or two.
- The City of Lake Oswego will file a supplemental report to update issues regarding the plant. The report and application are scheduled to be filed in August.
- Reports have been made to the Committee on the status of various applications.
 - The budget has been approved for the Lake Oswego City Council.
 - The League of Oregon Cities will file an Amicus brief (friend of the court) supporting the state and Lake Oswego's position in the WaterWatch appeal, currently before the Court of Appeals.
 - Work continues on amendments to the existing intergovernmental agreement between Lake Oswego and West Linn, which will state that

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Lake Oswego will provide emergency water to West Linn if needed. Lake Oswego is no longer able to provide emergency water in the summer months because they are using all the water themselves.

- o The conditional use permit applications have been submitted and deemed complete (City of Gladstone).
- o Development applications have been filed with Lake Oswego relating to the pipeline where it will come through to go under Lakewood Bay and continue to the north side of Lake Oswego to the Waluga Reservoir.
- o The 60 percent design stage is in process. This should be complete mid-fall.
- o The 90 percent design is in process for the outtake in Gladstone.
- o Some of the land use applications have been approved in the City of Lake Oswego.
- o Issues are pending with respect to the Waluga Reservoir and to the procedures to be followed to pipe the water to Tigard.
- o Council President Buehner reviewed scheduling of several work projects and meetings with respect to the venture.
- o The partnership application to become a member of the Clackamas River Water Providers was approved. We will be a non-voting member for one year.
- o The Regional Water Providers Consortium sent a letter to West Linn in support of the Lake Oswego application.

E. Call to Council and Staff for Non-Agenda Items: None.

2. CITIZEN COMMUNICATION

A. Follow-up to Previous Citizen Communication: None.

B. Tigard Area Chamber of Commerce – Tigard Chamber Chief Executive Officer Debi Mollahan presented a report on activities of the chamber. A copy of the highlights of her report are filed in the meeting packet.

C. Citizen Communication – Sign Up Sheet

John Frewing, 7110 SW Lola Lane, Tigard, OR, commented on the procedure for adopting the urban forestry provisions. He advised that the public does not have tolerance for attending meetings and if a lot of meetings are scheduled, then the council will hear from people who have been characterized as extremists. He asked the council to consider this lack of tolerance when considering its hearing schedule on the proposed urban forestry code provisions.

Mr. Frewing said he is concerned that there are some procedural issues that have not been addressed by the staff in the work to date, which could complicate the

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adoption process. For example, the Oregon Administrative Rules, 660-023-0250 (3)(a) says there must be an ESEE analysis if creating or amending a resource list or a portion of an acknowledged plan or land use regulation adopted to protect the significant resource. He said we already have the Tualatin Basin Goal 5 measures and it seems the Urban Forestry Code will amend those measures; i.e., adding a groves map to the plan along with some language. Because of these proposed changes, Mr. Frewing said an ESEE analysis is required for the entire canopy program.

Mr. Frewing said the staff report has not fulfilled the “Oregon rules” requirement that the city coordinate comment with agency commenters. The Oregon Department of Fish and Wildlife had a number of comments; one had to do with native trees for which there was a response and was substantially met. There were a number of comments that did not get a response nor met. He said he believes the Oregon code says the city must consider and implement, where possible, such comments from agencies.

Mr. Frewing said the Oregon code says that the cities shall implement their comprehensive plan provisions in regulations. By shifting the substance of the urban forestry business to an administratively controlled urban forest manual, he said the city is not meeting this requirement.

In response to a question from Mayor Dirksen, Mr. Frewing said he would put his comments in writing and email them to the mayor.

City Attorney Ramis asked Mr. Frewing about his citations in his oral remarks above. Mr. Ramis said he is familiar with the citation on the ESEE and he will review the requirements. However, he said Mr. Frewing’s reference to the agency coordination requirement did not include a citation. Mr. Ramis said he is familiar with the requirement that a city must consider agency comments, but Mr. Frewing said “consider and implement.” Mr. Frewing said he thinks this is written in Goal 2, but will research this and send the citation with the comments he plans to email to Mayor Dirksen.

Mayor Dirksen reviewed the Consent Agenda:

3. CONSENT AGENDA: Tigard City Council

A. RECEIVE AND FILE:

1. Council Calendar
2. Tentative Agenda

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Motion by Council President Buehner, seconded by Councilor Wilson, to approve the Consent Agenda.

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

4. CONSIDER AN ORDINANCE AMENDING TIGARD MUNICIPAL CODE CHAPTER 12, WATER AND SEWERS

Utility Division Manager Goodrich presented the staff report for this agenda item. The Public Works Department recently worked through the process to propose eight administrative rules relating to Tigard Municipal Code (TMC) Chapter 12. The objective was to remove practices and procedures from the code language so it could be easily updated. Currently, day-to-day business practices and procedures are documented in two places, the TMC and the new Administrative Rules. If the proposed ordinance is approved, the business practices provisions will be removed from the TMC. The council approved used of administrative rules for TMC Chapter 12 in August 2011 and the rules for this chapter became effective June 6, 2012. The city attorney has reviewed all of the documents pertaining to this proposed code amendment as outlined in the proposed ordinance.

Mayor Dirksen said this matter has been reviewed previously by the City Council. He thanked Mr. Goodrich for the background information.

Council President Buehner added that this proposal was reviewed and recommended by the Intergovernmental Water Board.

Motion by Councilor Wilson, seconded by Council President Buehner, to adopt Ordinance No. 12-06.

City Recorder Wheatley read the number and title of the ordinance before the City Council:

ORDINANCE NO. 12-06 - AN ORDINANCE AMENDING TIGARD MUNICIPAL CODE CHAPTER 12, WATER AND SEWERS, TO REMOVE DAY-TO-DAY BUSINESS PRACTICES, WHICH ARE NOW DOCUMENTED ADMINISTRATIVE RULES.

The motion was approved by a unanimous vote of City Council present.

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Mayor Dirksen	Yes
Council President Buehner	Yes
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

5. DISCUSSION ON ECONOMIC DEVELOPMENT

Councilor Woodard gave a presentation to the City Council to begin its discussion about a future focus on economic development. A copy of the PowerPoint presentation slides are on file with the packet of materials for this meeting. The presentation included key points from two training sessions he and Councilor Henderson attended:

1. Formulating Effective Economic Development Policy, Marketing and Communications Strategies – May 17-19, Manhattan Beach, CA
2. Building Public-Private Partnerships (P3) – March 10-15, 2012, Washington D.C.

To begin, “economic development” and its components should be defined – this can be difficult to do. Councilor Woodard said that it was his hope that the council would discuss economic development and that this would launch the work to choose action steps to create economic development as envisioned for the City of Tigard.

(Note: Council President Buehner left the meeting during Councilor Woodard’s presentation.)

Highlights of Councilor Woodard’s presentation follows:

- Use Internet technology to publicize why a developer would want to establish a business in the Tigard community. (“Interactive Brochure”)
- Public-private partnerships to develop something desired for the community through contracts. Development of these contracts is a skill set that Councilor Woodard said he did not believe the organization had at this time.
- Reviewed the elements of a successful city economic development office (EDO) (as outlined in the PowerPoint slide presentation). Elements include stressing the importance of the effectiveness of the city’s website to provide information for those seeking information on the supports in place for economic development in the community.
- Economic development and redevelopment was defined in the presentation including an increase in living standards, creating more opportunities in defined sectors and an increase of per capita income for everyone. The PowerPoint also contained links to additional information on economic development.
- Reviewed the role and advantages of having an “economic integrator.”

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- Reviewed the principle that “cities don’t create businesses,” but cities can help or hurt business’ ability to succeed and grow; he stressed the importance of an integrated “economic development organization (EDO).”
- Referred to the workflow disciplines of EDO’s.
- Summarized the lessons learned from the economic development seminars. The current mentality/approach is for investors to look for city economic development opportunities on the Internet; developers are looking for specific information/data. Information should be easily accessible.
- Conducting business as usual can spell failure.
- Pointed to the importance of looking at productive land use patterns as a basis for prioritizing re/development projects.
- Reviewed the State of Oregon’s situation relating to budget constraints placed upon Oregon cities (Measures 5, 47 and 50). Governor Kitzhaber asks for support for reform efforts that achieve economic development, fairness and simplicity objectives. Reform will not be easily accomplished.
- Suggested that the transportation policy that advances land use opportunities could be posted on an economic development website.
- Referred to recent amendments to the Transportation Planning Rule (TPR), which should be helpful with new approaches to re/development projects. Mayor Dirksen noted the goal is for cities to be able to formulate policies for more efficient land use to lead economic development and have the transportation system be supportive. This might mean there will be greater density in some areas; however, greater density is not the goal, rather it is the means to achieve the goal of better land use.
- Referred to the City of Ashland as a successful economic development department model.
- Noted teaching points presented to the City Center Development Agency regarding economic development. Ms. Knox of Shiels Oblatz Johnsen, Inc. has shared what Tigard has accomplished with regard to planning work in infrastructure, long-range planning and financial planning. For a public-private partnership, a city needs to determine the best first project that can be replicated. Hiring a project management team with experience in public-private partnerships is preferred.
- Reviewed the major risks from a developer’s perspective: community support of leaders; permit process is predictable and flexible, environmental and access issues identified; financing is available; projects that will be supported by the current market are identified.
- Reviewed the principles of incorporating economic development Internet marketing into city government using productive land use patterns as a basis.
- Reviewed the components of a community investment toolkit to provide local government officials, developers, property owners and others with ideas and information on innovative practices and approaches to stimulate investment in the region’s centers, corridors, employment and industrial areas. The toolkit is too

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complex and requires annual updates – it requires a knowledgeable facilitator for it to be useful in decision making.

- Referred to the Leland Report, which prioritizes projects. The city has an ample amount of information but needs to find a way to make it accessible.
- Offered areas where there are shortcomings: The complete re/development land use vision, strategic marketing, P3 policy components and financial expertise to assist council leadership to achieve the voters' land use vision.
- Identified City of Tigard areas where project priorities need to be determined.
- Explained how cities can triumph through EDO best known methods through re/development and retaining flexibility to respond to conditions as they evolve.
- Presented a list of goal recommendations for council consideration for 2013: define re/development; evaluate committee structure; determine project priorities/CCDA toolset requirements based on land use goals and priorities; make use of the Internet to market; and determine best sustainability success indicators. Minimum City Council goals were listed in the PowerPoint slide presentation.
- Reviewed ICMA recommendations:
 - City's need to conduct regular strategic planning sessions.
 - Plans should incorporate return-on-investment calculations.
 - Strategic planning exercises should have full support of the elected officials and city management.
 - Communities should advance their economic outreach no matter what the economic conditions.
- Advised that if the key consideration is the income tax base, the focus might be on residential development and proximity to employers.
- Advised the city has accomplished much of what is on the list for a new economic development approach, but there is room for improvement.

Councilor Woodard asked for consideration for an additional workshop meeting discussion on this topic once the City Council has had an opportunity to review the information presented this evening. Mayor Dirksen said he would like to hear from City Council members if there is interest to schedule additional discussion during a workshop meeting. The mayor would like specific topics of discussion identified so the amount of time can be estimated and staff resources/expertise could be identified.

Mayor Dirksen said he thought the city has a good economic development strategy as outlined in the Leland Report and the Economic Opportunities Analysis. He agreed with Councilor Woodard in that the city needs to take further steps. He said, "...to paraphrase something that Councilor Henderson said, 'We need a guy who has the contacts and can seal the deal. We need a person who can take the strategy that we have and have knowledge of the market and connections in the market so that he can bring that together...'" He acknowledged City Manager Wine's background and that she has some ideas that the council has not heard before and how the city might be able to bring in an individual to work as a facilitator – working with the Community Development Department and the downtown

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area as well as looking at economic development citywide. It is imperative that a citywide strategy be developed. At the very least, Mayor Dirksen said this is something that should be discussed during the goal-setting session for the coming year.

Councilor Wilson said he thinks the assessments offered are “right on.” Even though we have an economic development plan already, this discussion is timely in the sense that we are reaching a point where it is time to change more from planning to doing. He said it would be good for the council, over the next few months, to try to arrive at a consensus about what economic development means. In the broad spectrum of “economy” there are a lot of things that could be done; however, a scatter-shot approach would not be effective.

Councilor Henderson noted his agreement with comments made by Mayor Dirksen. He said he would be interested in a workshop discussion before the council goal-setting meeting. He noted his preference for a sustainability approach to this work. He said there is good local expertise that the City Council might be able to access.

Mayor Dirksen noted in the past there were years when the council met during the summer to consider a long-term strategy, which was separate from the yearly goal setting. This might be something to consider as an approach before the goal-setting meeting.

6. 2013 LEAGUE OF OREGON CITIES LEGISLATIVE AGENDA

Mayor Dirksen said the League of Oregon Cities (LOC) has requested each city pick its four top priorities from the LOC list of legislative priority recommendations. The LOC Policy Committees’ Legislative recommendations were submitted to the council in the meeting packet.

Discussion highlights included:

- In response to a question from Councilor Wilson and Mayor Dirksen, City Manager Wine said the council can submit its own priorities along with feedback on the priorities identified on the list from LOC. She said the discussion tonight will also be the lead-in to develop the City of Tigard’s legislative agenda, which will evolve and be discussed over the summer.
- The City of Tigard Executive staff also reviewed the LOC list and identified what they would consider to be the top priorities; although, they did not narrow the list to just four.
- Councilor Wilson noted some of the priorities listed are ones that he does not have any idea about the financial impact; i.e., “Eliminate the requirement that public employers provide subsidized health insurance for retirees.” City Manager Wine said the example that Councilor Wilson cited is one that the city would pay attention to; it depends upon

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which tier of the retirement system is under consideration with regard to the amount of impacts.

- Mayor Dirksen said he identified three *priorities*:
 - *A. The Jobs/Economic Development Initiative that supports funding for industrial site development.* Councilor Woodard also noted he marked this item. City Manager Wine advised this was also of interest to the executive staff.
 - *D. Restore equity in our property tax system by resetting assessed value to real market value when a property is sold or constructed.* Councilor Wilson said he is unsure about this as a priority given the parameters now in effect with Measure 50. Discussion followed about the disparities in the amount of taxes paid by residents in similarly valued properties that are occurring. Councilor Wilson said this also area for which he feels he does not have sufficient background on whether to support this as a priority. He referred to the need to know the ramifications of choosing a particular option with regard to financial/taxation legislation. City Manager Wine offered to forward council more information if members feel they need more information before selecting the priorities from the LOC list.
 - *N. Continue to support the development of greenhouse gas emission toolkits and scenario planning models and standards for Metropolitan Planning Organization (MPO) cities as long as they are funded with new revenue and do not expose cities to additional litigation.* The mayor said this subject was among his top priorities; however, he did not care for the way it is worded. LOC's focus will be on the impact to cities and he thinks as we move forward in meeting the requirements of the state mandate to look at greenhouse gas emission, the economic impact needs to be considered in general. Councilor Wilson agreed with Mayor Dirksen. City Manager Wine said staff could forward the priorities with additional information; i.e., proposed changes to the wording of the priority. If the City Council decides it cannot identify priorities, input on the list can be forwarded to the League.

- City Manager Wine reviewed additional priorities of interest to the executive staff:
 - *F. Reform the court fines system in a manner that recognizes the value of both state and local courts.*
 - *K. Pass legislation renewing the 9-1-1 tax.*
 - *L. Defeat legislation mandating the consolidation of Public Safety Answering Points (PSAPs).*
 - *M. Defeat legislation that would extend or make permanent the moratorium on raising existing or levying new local gas taxes and/or any legislation that proposes to restrict or preempt cities' ability to charge any transportation-related fee or tax. (However, this language should be strengthened.)*
 - *P. Support legislation to supplement and perhaps eventually replace the gas tax as the principle road user fee funding the state's road and highway system. (Also, strengthen this wording.)*
 - *R. Support state authority for Oregon Water Resources Department to act as contracting agency with federal entities to facilitate water procurement.*

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Councilor Henderson supported the gas tax legislation as a priority. There was discussion about the need to look beyond the gas tax as a source of revenue for highway/road infrastructure with the declining funds generated because of better gas mileage and electric vehicles.

Councilor Wilson, in response to City Manager Wine's request for input, said that he would support legislation that preserves the cities' flexibility – there are a number of such proposals in the League's list of priorities. He said the League should work to safeguard cities' control over its own resources; i.e., raising the gas tax. Mayor Dirksen noted he supports this one, too.

Councilor Wilson said with regard to Human Resources legislation, he has always been frustrated with the binding arbitration rules.

Councilor Wilson commented that even if it is likely there will be not be the required support at the legislature to act on issues raised by cities, these matters should continue to be raised so they are at least talked about – it might take a few sessions before action is achieved. Costs are going up faster than cities can pay for them and, eventually, will require attention by the legislature. He pointed to the recent changes to the Transportation Planning Rule, which took about seven years to accomplish.

Councilor Woodard commented on the proposed legislation to replace the gas tax. Discussion followed on potential alternatives under consideration by legislators. Some methods include tracking mileage on vehicles and the feelings of privacy invasion. This priority is not at the top of the council's priority list.

Mayor Dirksen said he is not hearing a consensus of the council on four priorities. City Manager Wine said she could follow up with more information on the following:

- Areas of community development.
- Binding arbitration.
- Ability to levy new local gas taxes.

After further discussion, council members agreed to support (letters reflected in italicized lists above) A., M.

Councilor Woodard raised a potential priority in item "O," which is: *While supporting the creation of a dedicated, non-roadway transportation fund, oppose any attempt to fund it from existing revenue streams – especially transfers from local governments to the state.*

Councilor Henderson called attention to "B," which is *Energy Efficiency Strategy for Public Buildings.*

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Assistant City Manager Newton reminded the council if it chooses four priorities, the city can still weigh-in and register its opinion on any piece of legislation under consideration.

Mayor Dirksen said when the city responds to the League on this matter that a cover letter be attached noting the difficulty the council had coming to a consensus, not necessarily because of the topic, but because of the phrasing of the proposed priority.

Councilor Woodard referred to priority “C,” which is *Allow local governments a more flexible use of transient lodging tax revenue*. Mayor Dirksen said this might be of more importance to other cities since Tigard does not have a lot of hotels/motels and this does not amount to a great deal of revenue.

City Manager Wine said staff would draft a letter for the mayor’s consideration, identifying A. and M. Additional discussion on legislative priorities is scheduled for September.

In response to a comment from Councilor Wilson about lack of familiarity on all these bills, City Manager Wine proposed that LOC staff could be invited to talk about the proposed priorities and answer council members’ questions. Senator Burdick and Representative Doherty would also be able to explain the political realities of some of these proposals and help the council prioritize those that are best for the City of Tigard.

- 7. COUNCIL LIAISON REPORTS: None.
- 8. NON AGENDA ITEMS:
- 9. EXECUTIVE SESSION: Not held.

City Council convened into a Study Session discussion in the Red Rock Conference Room on Agenda Item No. 10.

Motion by Councilor Woodard, seconded by Councilor Wilson to adjourn the business meeting.

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Absent
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

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10. STUDY SESSION TOPIC: PREPARATORY DISCUSSION FOR ANNEXATION POLICY BACKGROUND REPORT

Study Session convened at 9:57 p.m.

Track 3

Mayor Dirksen opened the discussion noting issues are different for each parcel under consideration for annexation. He said the council might need to acknowledge there is a need to tailor a different kind of process for each proposal and dispense with trying to develop a general annexation policy.

City Manager Wine referred to a council discussion held in December, which centered around the island areas and then moved to extra-territorial and newly annexed areas and how do we approach them. The purpose of tonight's discussion is to offer a framework and time for the council members to discuss these issues. Assistant Community Development Director Hartnett reviewed the following:

- Referred to a council meeting in February 2012 to consider renewing the existing annexation policy, where council members asked for a background report to bring everyone up to the same level of understanding of annexation; i.e., legal requirements, Tigard's history on annexation, and implications to infrastructure and finances. This report has been completed and was distributed to the City Council tonight in next week's meeting packet. The Agenda Item Summary for next week includes framing questions. Staff is hoping these questions will allow the City Council to prioritize how to approach the discussion about an annexation policy.
- Time is reserved on the August 21, 2012, City Council workshop for the council's first formal discussion (with the July 24 discussion centered on a review of the background report).
- If more discussion time is needed after August 21, additional time can be scheduled.
- Referred to the River Terrace Community Plan. There has been some conversation about making sure we are clear about what the planning area is and what degree of planning will be done for each of those areas. This will include integrating information related to Washington County and Metro. The River Terrace Community Plan links to the annexation discussion because of Area 63 and Roy Rogers West Urban Growth Boundary expansion areas. The staff has been working with property owners in Area 63 similarly to what was done in Area 64 – a property owner initiated process. There have been a number of “stops and starts” but a lot of progress has been made. Some property owners in the area have been quite willing/interested in annexation, while some property owners are reluctant.
- Recently, additional property owners indicated an interest in annexation for Area 63. Soon there should be information about how much of Area 63 will annex voluntarily (petition process/triple majority), or if there should be consideration of annexation through a double majority process.
- Referred to staff resource implications for pursuing annexation policy changes and the Community Development Department's ability to deliver on items of high priority for

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the City Council. The River Terrace Community Plan is a high-priority matter for the City Council.

- Other topics of interest expressed by council members include the island annexations, pursuing West Bull Mountain unincorporated areas, and continue to pursue the River Terrace-Area 63-Roy Rogers West project.

In response to a question from Mayor Dirksen, City Manager Wine explained the purpose of tonight's discussion is to give council members an idea of what the staff is envisioning for the next two months. Next month, an overview of the background report is scheduled to form the foundation for the work accomplished and then formulate the questions the council might want to discuss related to annexation policy. City Manager Wine will ask council members about their priorities for this topic relative to council goals and issues council has identified to be important.

There was discussion about Area 64 and the stakeholders in that area. City Attorney Ramis pointed out the city has created an expectation for those stakeholders that the city will move forward reasonably and expeditiously.

The discussion for Area 63 and Roy Rogers West will be to determine, once it is known how many property owners have signed the voluntary annexation petition, how to proceed and defining the area the community plan will encompass. Assistant Community Development Director Hartnett noted that any annexation effort needs to be reviewed within the context of what else is going on. The River Terrace area will likely be unique in Tigard's history and not lend itself to a simple blanket policy statement.

Councilor Henderson said his greatest concern is for the capacity of staff noting the recent cutback in staff due to the budget constraints. Some projects are commitments made by the city and need to be followed through. City Manager Wine said if she were asked, she would recommend that staff be deployed toward the planning process for the River Terrace area since the city has created expectations it needs to deliver on. With regard to the islands and the remaining area, annexation might happen – but over time and is not an area where city resources should be devoted for the near term.

Councilor Henderson asked if there is a plan to take advantage of opportunities for annexation that might come up for other areas. City Manager Wine said the background report (next week's packet) offers tools to address a situation if, for example, an area such as Metzger comes forward asking to annex. Assistant Community Development Director Hartnett said developing the River Terrace Community Plan would help guide potential annexation requests for other areas.

Councilor Wilson questioned if the city were to shift some of the density, when planning for Areas 63 and 64, would this need to be done simultaneously with the concept planning. Assistant Community Development Director Hartnett said this would be a "fairly major conversation with Metro." We need to keep in mind the Washington County agreement for CET grant funds. These funds will come to Tigard at the end of the process.

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- > City Attorney Ramis advised that before Council President Buehner left the meeting, she requested information regarding an invitation council members received from Gary Bray to attend a meeting of the Republican Club next Wednesday in King City. The club is helping to promote the light rail measure petition and the council members are invited to make a statement about their position on this matter and then field questions from the club members.

Council President Buehner had asked if more than a quorum of council attended, would this constitute a public meeting and, therefore, pose a problem. City Attorney Ramis said he thinks the answer to this question is “no,” technically. The legislative body involved in this is the electorate, not the council – this is not a matter that the council would be deciding. City Attorney Ramis said someone could make the allegation about council members talking as a group about public policy issues.

City Attorney Ramis said the second question from Council President Buehner was to ask for advice on what a council member might say to preface any remarks if he or she chose to attend. He said it would be important to make the point that the Tigard council is not deciding this issue, has not passed a resolution or taken a formal position and, therefore, the remarks by an individual council member are “your own.”

11. ADJOURNMENT: 10:21 p.m.

Motion by Councilor Wilson, seconded by Councilor Woodard, to adjourn the meeting.

The motion was approved by a unanimous vote of City Council present.

Mayor Dirksen	Yes
Council President Buehner	Absent
Councilor Henderson	Yes
Councilor Wilson	Yes
Councilor Woodard	Yes

/s/ Catherine Wheatley
Catherine Wheatley, City Recorder

Attest:

/s/Craig E. Dirksen
Mayor, City of Tigard

Date:_____

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